

**MINUTES**  
**State Allocation Board**  
**May 23, 2007**

Upon notice duly given, the monthly meeting of the State Allocation Board was held at the California Department of Education Building, Room 1101, in Sacramento, California on May 23, 2007 at 4:00 p.m.

Members of the Board present were as follows:

- Anne Sheehan, Chief Deputy Director, Policy, Department of Finance, designated alternate for Michael Genest, Director, Department of Finance
- Rob Cook, Deputy Director, Interagency Support Division, Department of General Services, designated alternate for Will Bush, Interim Director, Department of General Services
- Kathleen Moore, Director, School Facilities Planning Division, California Department of Education, designated representative for Jack O'Connell, Superintendent of Public Instruction
- Rosario Girard, President and CEO, Phoenix Construction Services, Inc., appointee of Arnold Schwarzenegger, Governor of the State of California
- Senator Bob Margett
- Senator Jack Scott
- Senator Joe Simitian
- Assembly Member Gene Mullin
- Assembly Member Jean Fuller
- Assembly Member Kevin de León

Representatives of the State Allocation Board (SAB) were as follows:

Lori L. Morgan, Acting Executive Officer  
Mavonne Garrity, Assistant Executive Officer

Representatives of the Department of General Services, Office of Public School Construction (OPSC), were as follows:

Lori L. Morgan, Acting Executive Officer  
Kathy Hicks, Chief of Program Services

Representative of the Department of General Services, Office of Legal Services, was as follows:

Henry D. Nanjo, Senior Staff Counsel

With a quorum present, Anne Sheehan, Chair, called the meeting to order at 4:10 p.m.

**PRIOR MINUTES**

A motion was made and carried to approve the Minutes for the April 25, 2007 SAB meeting.

**EXECUTIVE OFFICER'S STATEMENT**

The Acting Executive Officer informed the Board that the Office of Administrative Law (OAL) approved: 1) the regulatory amendments that would allow a K-8 elementary school that has an adequate multipurpose room to receive funding for a Joint-Use gymnasium; effective date of April 30, 2007; and 2) portions of the regulatory amendments implementing the provisions of Assembly Bill 127, specifically the Charter School Facilities Program and the Small High School Program; effective date of May 17, 2007. The OAL was unable to approve the High Performance additional grant due to an undefined criteria referenced in the proposed regulation that is outside the purview of the OPSC. This regulation was withdrawn by the staff. The OPSC will coordinate with the entity to ensure the High Performance criteria are presented in a public format, which will enable staff to re-file these regulations. The OAL advised the OPSC that it would not approve the proposed regulations adjusting the New Construction Grant, because a worksheet referenced in the regulations was not presented in its final format to the Board for consideration. Accordingly, the staff withdrew the regulations. The OPSC is in the process of finalizing the project information worksheet and will present it to the Board for approval at a future SAB meeting in order to resubmit the regulations.

Finally, the Board was also informed of the status of the School Facility Joint-Use Program, which included the availability of funding and the volume of applications currently in-house (41 applications) and pending the California Department of Education's approval (44 applications). These applications could represent over \$111 million in potential funding for the Joint-Use Program.

**CONSENT ITEMS**

In considering this item, the Board approved the consent calendar as presented. However, Ms. Moore abstained from voting on the Elk Grove Unified School District agenda items but voted for all others.

**FINANCIAL REPORTS*****Status of Funds***

The Board accepted the Status of Funds report as presented.

***Financial Needs of the State Relocatable Classroom Program***

In considering this item, the Board approved the staff's recommendation.

**SPECIAL CONSENT ITEMS*****Cinnabar Elementary/Sonoma 58/70649-00-001***

In considering this item, the Board approved the staff's recommendations.

**SPECIAL CONSENT ITEMS** (cont.)***Mesa Union Elementary/Ventura 58/72470-00-01***

In considering this item, the Board approved the staff's recommendations.

***Ross Elementary/Marin 58/65433-00-01***

In considering this item, the Board approved the staff's recommendations.

***Clay Joint Elementary/Fresno 50/62109-00-001 and 57/62109-00-001***

In considering this item, the Board approved the staff's recommendations.

**SPECIALS/APPEALS*****Aspire Public Schools/Alameda 54/61259-13-001***

This item was withdrawn.

***Val Verde Unified/Riverside 50/75242-00-000***

The following individuals addressed the Board on behalf of the school district: Dr. Fred Workman, Superintendent; Mr. Mike Boyd, Deputy Superintendent of Business Services; Mr. Spencer Covert, Special Counsel; Mr. Rollin Edmonds, Chief Business Official, Riverside County Office of Education; Mr. Bruce Hancock, with the consulting firm of Hancock, Gonos & Park; and Mr. Richard Duncan and Mr. Henry Sylvia, with DC Architects. The District requested that one of the District handouts entitled, "It's All About . . . Results," be included as part of the official SAB agenda record.

The Board requested staff to bring this item back for further consideration at the June SAB meeting. The Board requested the District to respond to the staff's report by June 4, 2007 and provide disclosure of the Certificates of Participation; in turn, staff indicated it would deliver the staff report to the Board members by June 20, 2007. Further, the Board clarified that the staff report would address the District's appeal only and the other areas of concern that were discovered during the course of the appeal review would be addressed and brought forward at a future SAB meeting.

**REGULATIONS*****Labor Compliance Program Grants***

This item was postponed until the June SAB meeting.

**REPORTS*****High Performance Schools Incentive Grant***

Mr. Dennis Dunston, representing HMC Architects, addressed the Board and clarified that some of the categories listed in the report could cost more than the funding provided in the High Performance Grant Program. The Acting Executive Officer clarified that the grants were intended to provide 100 percent of the up-front costs and indicated the OPSC's commitment to monitor the Program once it is up and running. In considering this item, the Board accepted the report.

***California Department of Education Report on Complete Schools***

This item was postponed until the June SAB meeting.

**INFORMATION/REFERENCE*****SAB Meeting Dates for the Calendar Year 2007******School Facility Program Workload List - Applications Received Through May 9, 2007******Deferred Maintenance Program Unfunded List as of April 25, 2007******Facility Hardship/Rehabilitation Approvals Without Funding List as of April 25, 2007*****MISCELLANEOUS**

The Assistant Executive Officer notified the Board of the following information:

- The Governor's Office Action Request concerning the seismic mitigation provision remaining from Assembly Bill 127 has been submitted to the Governor's Office. Concern was expressed regarding the delay, and the SAB Implementation Committee is anxious to review and discuss the proposed regulations concerning this issue.
- The potential appointment of a Construction Management position to the SAB Implementation Committee.
- There is a Little Hoover Commission meeting on May 24, 2007 concerning the governance structure of the SAB, OPSC, and the DGS.

**CLOSED SESSION**

At 6:15 p.m. and in accordance with Section 11126(e)(1), the Board convened into closed session for the purpose of conferring with and receiving advice from counsel regarding *Godinez v. Schwarzenegger, et al.*

Upon conclusion of the closed session, the Board reconvened into open session at 6:45 p.m.

**ADJOURNMENT**

There being no further business to come before the Board, the Chair adjourned the meeting at 6:46 p.m.

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**LORI L. MORGAN, Acting Executive Officer**